

ELECTRONICALLY FILED ON AUGUST 22, 2006

Dennis L. Keschl, Acting Administrative Director
Maine Public Utilities Commission
State House Station 18
Augusta, Maine 04333

Re: **RCC MINNESOTA, INC., SRCL HOLDING COMPANY, AND SACO
RIVER COMMUNICATIONS CORPORATION**
Request for Designation as an Eligible Telecommunications Carrier
MPUC Docket No. 2002-344

**THIS IS A VIRTUAL DUPLICATE OF THE ORIGINAL HARDCOPY
SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS
ELECTRONIC FILING INSTRUCTIONS**

Dear Dennis:

In connection with the above-noted matter, Joel Shifman recently requested that RCC Minnesota, Inc., ("RCC") provide updated information regarding the amount and disposition of funds received as a result of RCC's designation by this Commission as an eligible telecommunications carrier. We understand that this information is requested in connection with the Commission's annual high-cost certification to the Federal Communications Commission pursuant to Sections 54.313 and 54.314 of the FCC's rules, 47 C.F.R. §§ 54.313, 54.314. With respect to the questions posed by Mr. Shifman, RCC can advise as follows:

Funds Received. From the period July 1, 2005 through June 30, 2006, RCC received \$4,021,414 in high-cost support from the federal Universal Service Fund. Based upon support received thus far, RCC currently receives support at a rate of approximately \$290,000 per month, and thus would expect to receive an additional \$1.7 million for the remainder of 2006.

Disposition of Funds. During the period from July 1, 2005 through June 30, 2006, RCC was able to activate new cell sites in Hampden (Hampden Water Tank), Gardiner, Lewiston (RCC's fourth site in Lewiston), Chelsea, Sidney, Leeds, East Bangor, Winthrop (RCC's second site in Winthrop), Pittsfield, China, Norway, Fort Kent, Bangor (at the Bangor Mall), Oxford, Dedham, Rockport, Edgecomb, Wiscasset, and Orono. RCC continues to work on proposed new sites in Benedicta, Cornish/Hiram, Owl's Head, and Presque Isle. (Regarding the Lincolnville site reported to be under development in last year's letter, RCC has not been able to obtain the necessary land use authorizations, and the site therefore remains "on hold.") RCC converted the Eustis and Orient repeaters to full GSM cell sites

RCC accomplished several other significant upgrades to its Maine network using federal USF funding, including (a) "sectorizing" the Camden and Liberty cell

Dennis L. Keschl, Acting Administrative Director

August 22, 2006

Page 2 of 2

sites, (b) replacing antennas at a number of sites such as Bomarc Bangor, Dixmont, Old Town, Mars Hill, Masardis, Houlton, Bangor DT, Newcastle, Rockland 2, Eaton Mountain, and Orono, (c) installing generators at RCC's Lincoln/Fish Tail and Bald Hill sites, (d) grounding upgrades at the Biddeford 1 and Parkhurst/Presque Isle sites and (e) adding additional channel capacity at various rural locations.

RCC also upgraded portions of its existing microwave network and expanded microwave links to the following sites: Sanford, Wells, Biddeford 2, Arundel, Kittery, Saco, Tatnic Road/Wells 2, York, Berwick, Bald Hill, Edgecomb, and Wiscasset.

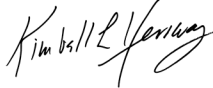
RCC also used federal USF funding to complete the deployment of a next-generation technology using a GSM platform. This network migration is necessary because RCC's current TDMA technology platforms are scheduled to sunset by 2007, and new research and development on these platforms ceased several years ago.

RCC was also able to conduct the following upgrades to its BSC (Base Station Controller) located in Bangor:

- Software upgrade to Release 12
- Hardware upgrades for additional capacity
- Updating of its EDGE software

I trust the information provided above will assist the Commission in completing its high-cost re-certification for RCC.

Very truly yours,



Kimball L. Kenway

cc: Elizabeth Kohler, Esq.
Steven Otto
David LaFuria, Esq.